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## PRESS RELEASE

### **Improvement continues but more still to do in Government Financial Reporting**

Today the Office of the Auditor General (OAG) published its compendium report “Financial Reporting of the Cayman Islands Government: General Report 31 December 2017” which summarises the results of the audits of 39 of the 44 public sector entities in the Cayman Islands. The audits for 5 entities and the consolidated Entire Public Sector (EPS) account for the eighteen month period 2016-17 are not yet complete. A decision was taken to produce the summary report now rather than wait any longer to best serve the public interest.

“The outcomes from our entity audits for 2016-17 so far, have seen 35 entities receive an unqualified opinion and four\* receive a qualified opinion and this continues the positive trend seen over recent years with this being the highest number of unqualified opinions issued in one accounting period to date” said Sue Winspear, Auditor General. She continued: “Of the four entities receiving audit qualifications, this included two Ministries for failing to disclose the value of termination benefits paid to key management personnel which is a requirement of international public sector accounting standards. I am pleased to say that all four of these entities have subsequently received an unqualified opinion in 2018.”

Ms. Winspear added: “It is also pleasing that all entities have produced an annual report to accompany their financial statements which helps contextualise and explain the financial results by telling the reader what they have achieved for the money they have spent. It is therefore disappointing that many of these insightful reports have not yet been laid in the Legislative Assembly so that people can see what was achieved during the period with public funds and this is a key recommendation I am making for improving accountability and transparency going forward.”

The Auditor General makes a series of other recommendations including further improvements in financial management, governance and internal controls such as strengthening the management of related party transactions, overtime and travel expenditures and building stronger functional leadership in Government to make for a stronger, more efficient and effective public sector.

More information about this report can be obtained by contacting Ms. Winspear at (345) 244-3201 or 938 3201.

The report is available at [www.auditorgeneral.gov.ky](http://www.auditorgeneral.gov.ky).

\* The Ministries of Community Affairs and Human Resources and Immigration, Cayman National Cultural Foundation and the Health Services Authority